

London	1.00	Frankfurt	1.00
Paris	1.00	Geneva	1.00
Stockholm	1.00	Nairobi	1.00
Washington	1.00	Wellington	1.00
... (more cities)

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PARIS, MONDAY, FEBRUARY 1, 1993

Deficit Aid: Lines Drawn On Social Security Role

By Steven Mufson
Washington Post Staff Writer

WASHINGTON — As President Bill Clinton met with his cabinet at Camp David, Maryland, to hammer out his economic plan, two influential senators took opposing views Sunday on how Social Security recipients should be asked to contribute to deficit reduction.

The disagreement between the Finance Committee chairman, Daniel Patrick Moynihan, Democrat of New York, and Bob Dole of Kansas, the Senate Republican leader, gave a preview of battles that await Mr. Clinton when he tries to create a consensus in Congress over the sacrifices needed to control the federal budget deficit.

The senators were reacting to recent comments by administration officials, who are looking for ways to cut the budget deficit. Among other things, the Clinton team has turned its sights on the \$302 billion Social Security program that has long been considered the third rail of U.S. politics — "touch it and you die" goes the conventional wisdom. The last major changes in Social Security came in 1983 to rescue the fund from bankruptcy.

Mr. Dole made it plain that the Republicans would attempt to exploit what he considers Mr. Clinton's mishandling of the issue of homosexuals in the military. He said the Republicans would probably force a vote in Congress this week on a measure to codify an outright ban on homosexuals in the armed forces.

Mr. Clinton's campaign commitment to end the existing prohibition by presidential order resulted in an embarrassing tug of war with members of his own party and the Joint Chiefs of Staff, a dispute that dominated the president's first days in office.

Referring to the president at one point merely as "Clinton," Mr. Dole said scornfully on national television Sunday that Mr. Clinton had made the question of homosexuals "his No. 1 issue on national security — I don't understand it."

Mr. Moynihan, also speaking on national television, said he would block any effort by the administration to eliminate cost-of-living increases in Social Security payments to the nation's senior citizens, comparing the idea to stepping on "land mines."

"It's a death wish, and let's get it out of the way and forget it right now," Mr. Moynihan said. But he said he would consider increasing taxes on Social Security benefits, only half of which are currently taxed.

Mr. Dole, a member of the finance committee, said just the opposite: "I'd rather go the other way," he said. "I'd rather go to reduce the cost-of-living adjustment 1 percent or 2 percent."

At a White House meeting last week between Mr. Clinton and top Congressional Democrats, Mr. Clinton and top Congressional Democrats,

See CLINTON, Page 3



Hat's Off for Winner Down Under
Jim Courier "dipping his lid" to the Melbourne crowds after defeating Stefan Edberg of Sweden, 6-2, 6-1, 2-6, 7-5, on Sunday to win the Australian Open. It was Courier's fourth Grand Slam tennis title and his second straight in the Melbourne tournament, where he beat Edberg in four sets a year ago. Page 12.

Ireland's Devaluation Puts Heat on Franc and Krone

By Carl Gewirtz
International Herald Tribune

PARIS — Exchange-rate tensions in Europe are certain to increase following the weekend devaluation of the Irish punt, with particular pressure on the Danish krone and the French franc, analysts said Sunday.

Even the devalued punt remains suspect, said David Morrison, London-based analyst at Goldman Sachs. Its 10 percent devaluation is not enough, he said, given that both the British pound and the Italian lira, now floating, are down close to 20 percent from their former values.

The punt's devaluation opens a new chapter in the history of Europe's exchange-rate mechanism, analysts agree, raising questions about the viability of the system as it is now structured. They noted it was the first realignment for a country whose economic performance — measured by low inflation, a current-account surplus and a low budget deficit — does not call for an adjustment in the exchange rate.

The so-called economic fundamentals are also good in France and Denmark, an argument governments have never ceased to stress in the months of continuing strain that were sparked last autumn when sterling and then the lira withdrew from the rate grid, followed by devaluations of the Spanish and Portuguese currencies.

But with Ireland forced to devalue, largely because of the loss of competitiveness resulting from the huge devaluation by Britain, its major trading partner, Mr. Morrison sees Denmark the next most exposed because it trades and competes with Sweden and Finland, whose currencies have also devalued substantially.

The devaluations within the European Monetary System are estimated to have driven up the French franc by some 8 percent on a trade-weighted basis, a loss of competitiveness it could live with given the productivity gains it has achieved at home. But, like Denmark and Ireland, France's membership in the fixed exchange-rate system obliges it to keep short-term interest rates at a premium to German levels at a time when unemployment is rising fast and the economy is slowing rapidly.

Christopher Potts at Banque Indosuez in Paris sees the franc remaining under pressure. "There will be tension," he said, but he ruled out the likelihood of a major attack.

French short-term rates, hiked last month to defend the franc, are now four percentage points higher than in Germany, double the level that prevailed before the attack on the franc resumed. In Mr. Potts' view, the higher cost of speculating now will inhibit traders from aggressively taking out new positions.

He acknowledges, however, the positions opened in December and early January before the rate hike have not significantly declined and sees little chance that the strains on the franc will be reduced until at least after the French legislative elections, which are scheduled for March 21 and 28.

Paul Chertkow at UBS Phillips & Drew in London sees a steady rise in currency market tensions through Thursday, when the Bundesbank policymakers are to meet. "If they don't lower rates, the strains will increase," he said.

Following last week's hard-line statements from Bundesbank officials on the need to contain domestic inflation, and before the punt devaluation, analysts had given up as lost any hope that the German central bank might reduce rates this week.

Norbert Walter at Deutsche Bank estimated that the advancing economic slowdown in Germany warranted a reduction in short-term rates of two percentage points, or 200 basis points, but he expected the Bundesbank to give the "smallest meaningful cut" of only 50 basis points, possibly as early as Feb. 18. He added that there was a risk it might wait until March.

Concern about inflation and disappointment with the government's proposed "solidarity pact" aimed at addressing the cost of unification, he said, ruled out any chance of a one-

See PUNT, Page 9

Russia Warns West Over Military Steps In Bosnia

NATO Backs Force, UN Council to Be Asked To Impose a Solution

Compiled by Our Staff From Dispatches

DAVOS, Switzerland — Russia said Sunday that it opposed military action against the Serbs in Bosnia-Herzegovina, and a senior official warned that any such move would hurt its relations with the West.

The official, Andrei Fedorov, a vice presidential advisor, also said that a large majority of the Russian parliament favored sending thousands of volunteers to Serbia to fight alongside the Serbs in the former Yugoslavia.

Prime Minister Viktor S. Chernomyrdin confirmed Moscow's opposition to force a day after a peace mediation effort ended in disarray and participants asked the United Nations Security Council to find a solution or impose one.

Speaking with journalists at the World Economic Forum in Davos, Mr. Chernomyrdin

A move by Geneva negotiators puts the Clinton administration in a bind. Page 2.

said, "I am convinced that this conflict should be stopped by diplomatic means."

Asked if he opposed military action against the Serbs, who have customarily been allied to the Russians, Mr. Chernomyrdin said, "Yes, of course."

[The Security Council is expected to threaten the Serbian government of President Slobodan Milosevic with tougher economic sanctions, including the possible cutting off of all transportation links with the outside world, when it meets this week with the leaders of the factions involved in the conflict, The New York Times reported from the United Nations, quoting diplomats.

[The threat would be part of a strategy that Britain and France want the council to adopt in which it would seek to convince the leaders of the Bosnian factions that the alternatives to the peace plan they have been presented with at the Geneva talks takes are worse than the plan itself.]

Manfred Wörner, secretary-general of the North Atlantic Treaty Organization, said Sunday in Davos that he supported the use of military force to impose a settlement in Bosnia. "I think it has come time to show those who use military force down there that the international community is starting to become serious and to become credible," he said.

"The peace process may require the ultimate sanction of enforcement to succeed," Mr. Wörner said. "One of the main reasons a political solution in the former Yugoslavia failed is because of the obvious lack of determination to enforce."

Negotiations in Geneva to bring peace to Bosnia-Herzegovina collapsed Saturday when the Muslim-led government and its Serb enemies rejected a mediated plan to carve the multiethnic Balkan state into 10 largely autonomous provinces.

Cyrus R. Vance and Lord Owen, the diplomats who have been trying to broker a peace settlement for nearly five months, said they would go to the UN Security Council on Monday to seek imposition of the plan.

Their move is likely to increase pressure on the Clinton administration to define its policy for the region.

President Alija Izetbegovic of Bosnia, speaking on Sunday in Zagreb, Croatia, renewed his

See BOSNIA, Page 4

Israeli Cabinet Debates Ways to Avoid UN Sanctions

By Joel Greenberg
New York Times Service

JERUSALEM — Pressed by the United States to end the continuing crisis over the 400 Palestinians deported to Lebanon, the Israeli government debated possible new moves on Sunday that would stave off threatened sanctions by the United Nations Security Council.

The cabinet of Prime Minister Yitzhak Rabin announced no decisions. But a sense of urgency arose when Mr. Rabin took the unusual step of interrupting the regular weekly session to meet with the U.S. ambassador, William C. Harrop. A senior official said the two men discussed the deportations and the arrest, announced Sunday, of two Arab Americans suspected by Israel of trying to reorganize the militant Islamic group known as Hamas, which was the main target of the mid-December mass expulsions.

For both Israel and the Clinton administration, the immediate concern is how to avert sanctions against Israel for its continued violation of a Security Council demand to return the deported men from their makeshift tent camp in southern Lebanon.

American officials say they disapprove of sanctions, but they also want to avoid reaching the point of having to exercise a Security Council veto, out of concern of antagonizing Arab countries and undercutting their faith in American evenhandedness in the Middle East peace talks.

In addition, there are fears that a U.S. veto, which would be the first in more than two years, could harm Washington's efforts to mobilize the United Nations for action in Iraq, Somalia and the former Yugoslavia.

So the administration has called on the Israelis to come up with a solution on their own, and quickly, to defuse the crisis. One possibility said to be under consideration is a plan to bring back some of the deportees and shorten the exile period for others after a review of their security files by special military boards set up a few days ago.

After the meeting Sunday, Elyakim Rubenstein, the cabinet secretary, said the military review "may have some results."

Asked about press reports in Israel that one-third of the banished Palestinians might be returned to the occupied territories in this fashion, Mr. Rubenstein said, "I can't speak in terms of numbers."

At their tent camp in southern Lebanon, the deportees rejected any halfway measures, saying they would be satisfied only with a return of all the exiles, in compliance with Security Council Resolution 799, passed on Dec. 18, a day after the expulsions. The council is expected

See ISRAEL, Page 4

On Clinton's Asia Team, Japan Experts Are Left on the Sidelines

By Don Oberdorfer
Washington Post Service

WASHINGTON — The Clinton administration has picked its senior team for diplomatic engagement in Asia, and there is not a Japan expert in the lot. This is generating criticism in foreign-policy circles and questions about the administration's plans for dealing with its most important ally in the Pacific and most serious economic competitor in the region.

Winston Lord, a former U.S. ambassador to China who was nominated by President Bill Clinton to be assistant secretary of state for east Asian and Pacific affairs, has selected one of his former Beijing aides to be his senior deputy and another former aide to be the senior director for

Clinton aims for consistency in U.S. policy. Page 2.

Asian affairs on the National Security Council staff, according to officials.

If Mr. Lord is confirmed and his choices are not reversed, the top rank of Asia policymakers at State and the National Security Council will be China experts, with no senior official having extensive experience in Japanese matters.

Moreover, none of the top political officials who oversee the Asia experts, including Secretary of State Warren M. Christopher and the national security adviser, W. Anthony Lake, or their immediate aides, have much Japan experience.

A former U.S. ambassador to Japan, Mike Mansfield, was sharply critical of the proposed appointments in an interview, saying that "the biggest mistake we could make would be ignoring Japan."

Professor Gerald L. Curtis of Columbia University, a leading academic expert on Japan, said he found the administration's choices to date "incomprehensible."

Mr. Lord, a specialist expert on China and a former aide to Henry A. Kissinger at the White House and State Department, is reported to have been given free rein to select his deputy at the State Department as well as the security council's Asia chief.

He picked as deputy Peter Tomsen, formerly Mr. Lord's deputy ambassador in Beijing and later special U.S. envoy to the Afghan guerrillas. As the council staff's Asia director, Mr. Lord picked Kent W. Wiedemann, formerly country director for China and economic counselor of the U.S. Embassy in Beijing during Mr. Lord's tenure. Mr. Wiedemann now is deputy U.S. ambassador in Israel.

Kiosk

2,700 Marines Scheduled to Leave Somalia

MOGADISHU, Somalia (AFP) — About 2,700 U.S. troops deployed in Somalia for Operation Restore Hope are to leave the country, a spokesman for the troops said Sunday.

The spokesman said the reason for reducing the troop numbers was "logistical restructuring." The units or detachments which were being sent home had completed their mission and were no longer needed in Somalia, he said.

A total of 24,214 U.S. troops are involved in the operation in Somalia, along with 13,616 troops from 21 other countries.

The withdrawal of the 2,700 men, who are mostly Marines, was not linked to the U.S. plan to turn over command to the United Nations and replace the force with UN peacekeepers. No date has yet been set for transfer of control of the mission.

General News
German soldiers are suspected of participating in rightist attacks. Page 2.
Thurgood Marshall, in interviews just made public, had contempt for Eisenhower and Robert Kennedy. Page 3.
Foreigners were evacuated from Zaire's capital amid unrest by troops. Page 4.

Business/Finance
China gave up its plans to enter GATT in March. Page 9.
James Robinson, after surviving a boardroom coup, quit American Express. Page 9.

Crossword Page 14
Weather Page 14

A Desperate Russia Is Bleeding Money

By Steve Coll and Michael Dobbs
Washington Post Service

MOSCOW — Above a posh street in the Mayfair district of London, where Jaguars and Bentleys line the curb, the first and most famous millionaire of the former Communist Russia, Artyom Tarasov, is busy with his latest brainchild: "A service company for rich people from Russia."

A former oil trader, scourge of the KGB and now itinerant exile under Russian criminal investigation for an export transaction, Mr. Tarasov is helping Russians who control large amounts of money to move it out of the reach of their country's government.

Serving a client list that he says includes Russian cabinet ministers, a Siberian minister, government employees and independent businessmen, Mr. Tarasov is opening offshore companies, managing accounts in Western banks, buying property and routing funds into his own recently acquired bank in Monaco.

Mr. Tarasov denies criminal wrongdoing. Yet he admits to operating at times outside the web of official Russian licenses and laws limiting transfers of money abroad.

"My position is very good, but I am a Russian and I worry about losing everything one day," he said. "I am playing very dangerous games now. This system cannot exist a very long time."

Indeed, as Russia undertakes a monumental transformation from communism to capitalism, businesses like Mr. Tarasov's "service company" illustrate one of his country's greatest problems. At a time when money from the West is desperately needed to revitalize the collapsing economy, rebuild infrastructure and pay off foreign debts, billions of dollars earned or borrowed abroad by Russia are flowing in the wrong direction — right back to the West.

According to government officials and Western experts, huge sums are being diverted from Russia into Western bank accounts, trading companies, joint ventures and property, often in violation of Russian law. Several Western specialists estimated that the outflow of funds is equal to or greater than the \$8 billion of new Western aid that reached Russia last year.

The phenomenon reflects the rampant corruption that Russia's president, Boris N. Yeltsin, says has made his country a "Mafia great power."

Mr. Yeltsin recently complained to a meet-

ing of law-enforcement officials that "in the growth of crime we are overtaking countries that had always been to the fore, such as, for example, Italy."

He added that if the problem were not solved, "we will never get out of the blind alley we are in."

With the former Soviet Union's economy trapped in a twilight zone between communism and capitalism, Russian authorities say a wide range of people — entrepreneurs, organized criminals, ambitious regional politicians, networks of former Communist officials and opportunistic Western traders — are seeking fast money amid the chaos.

Most commonly, the profiteers acquire such resources as oil and metals at cheap prices within Russia, export them illegally and sell them for much higher prices in the West. The resulting profits in dollars, Deutsche marks, yen and other hard currencies are then spirited to safe havens abroad, where the Russian government cannot reach them.

Russian law, like that of the former Soviet Union, prohibits citizens from holding foreign currency or maintaining accounts in foreign banks, unless special permission is obtained from the Central Bank. But hundreds

See CAPITAL, Page 4



RUMBLINGS IN RED SQUARE — Pro-Communist demonstrators gathering Sunday in central Moscow to demand a trial for President Boris N. Yeltsin and members of his Russian government, whom the protesters accused of social and economic crimes.

FIRST 100 DAYS / A JUSTICE REMEMBERS

POLITICAL NOTES

Polls Show Clinton's Doing Just Fine, Maybe

WASHINGTON — Most Americans think President Bill Clinton is doing a good job, according to two new opinion polls, although one of them shows Mr. Clinton with an unusually high disapproval level so early in his term.

Aides In Place, but Still No Attorney General

WASHINGTON — Mr. Clinton has picked the No. 2 and No. 3 officials at the Justice Department while he continues to search for No. 1.

Shultz 'Astonished' by Bush's Denials on Iran

WASHINGTON — In a new book, former Secretary of State George P. Shultz disputes assertions by former President George Bush that Mr. Bush had only vague knowledge of the arms-for-hostages episode in the mid-1980s.

New Republican Chief Stresses Economy

ST. LOUIS, Missouri — For their national chairman, Republicans have turned to Haley Barbour of Mississippi, whose political roots are in the white exodus from that state's Democratic Party in the 1960s.

Away From Politics

A California region notorious for smog has reached a major milestone in the cleanup of its nagging air pollution problem, meeting the U.S. government standard for nitrogen dioxide for the first time, air quality regulators said.

In Marshall Tapes, Scorn for Eisenhower and Robert Kennedy

By Howard Kurtz
Washington Post Service

WASHINGTON — Thurgood Marshall called former President Dwight D. Eisenhower "despicable" for his conduct on school desegregation and said that Robert F. Kennedy, as attorney general, "slowed things down considerably" on civil rights, according to interviews taped in the 1970s.

On Gay GI Issue, A Practical Review

By Eric Schmitt
New York Times Service

WASHINGTON — Defense Secretary Les Aspin has directed top Pentagon aides to review the practical aspects of dealing with avowed homosexuals in the armed forces, including whether to bar them from combat or give them separate barracks and showers, according to administration officials.

Press Giving Clinton The 'Bush Treatment'

WASHINGTON — What happened to the liberal press that supposedly gave Bill Clinton every break during the campaign?

WASHINGTON — The press has been overdoing it, said Larry J. Sabato, a political scientist at the University of Virginia. "It's almost as though they're trying to prove their critics wrong and compensate for the pro-Democratic tilt of the election season."

black to sit on the high court, died at age 84. He retired from the court in 1991.

Justice Marshall reserved some of his harshest words for Mr. Kennedy: "Bob was like his father. He was a cold, calculating character. What's in it for me? I mean, not like his brother, he had no warm feelings. None at all."



President Clinton speaking to members of his cabinet at a planning session at Camp David over the weekend. It was his first trip there.

CLINTON: Split on Social Security Foreshadows a Fight Over Deficit

(Continued from page 1)

Leon E. Panetta, director of the Office of Management and Budget, said he favored cutting the cost-of-living adjustment for Social Security payments, which average about \$653 a month.

in 1935, is an insurance program that should be treated differently from other types of government spending. "I would like to see us acknowledge that this is a contributory insurance program," Mr. Moynihan said.

INTERNATIONAL CLASSIFIED

PERSONALS, MOVING, OFFICES FOR RENT, REAL ESTATE TO RENT/SHARE, EMPLOYMENT, EDUCATIONAL POSITIONS AVAILABLE, HEALTH/MEDICAL SERVICES, BALDNESS, LEGAL SERVICES, LOW COST FLIGHTS, ACCESS VOYAGES, REAL ESTATE AGENT IN PARIS, EMBASSY SERVICE, AGENCY CHAMPS ELYSEES, REAL ESTATE WANTED/EXCHANGE, EMPLOYMENT, SECRETARIES AVAILABLE, INTERNATIONAL RECRUITMENT.

INTERNATIONAL RECRUITMENT

You will find below a listing of job positions published last Thursday in the International Herald Tribune under the International Recruitment Feature

Table with columns: POSITION/LOCATION, COMPANY. Includes roles like HEAD OF INFORMATION SYSTEMS, PRIVATE BANKER, CORPORATE AND PRESS COMMUNICATION.

HERALD TRIBUNE, VALENTINE MESSAGE, YOUR PERSONAL PROBLEMS, AMERICAN STUDIES, MEIA SCHON.

Page 13 FOR MORE CLASSIFIEDS, International Herald Tribune ad work

Foreigners Flee Zaire Violence

Belgian Troops Are Cautioned to Stay Out

Compiled by Our Staff From Dispatches
KINSHASA, Zaire — Some 400 foreigners were evacuated from Zaire's capital, Kinshasa, after a night of gunfire and two days of looting by troops in which about 100 people were killed.

The evacuees were taken by boat to the Congolese capital, Brazzaville, across the Zaire River. Apart from about 170 French nationals, mostly women and children, the vessel took 100 Portuguese, 35 Belgians and 100 people of other nationalities.

On Saturday, 400 people, including 300 Belgians, were evacuated. Across the river, a contingent of Portuguese soldiers arrived in Brazzaville to await permission from the Zairian authorities to go to Kinshasa to help evacuate more Portuguese nationals, sources close to Congo's police said.

The Portuguese community is one of the biggest from Europe in Zaire.

Belgium is prepared to send troops into Zaire if there are any problems with evacuating its citizens from the country's riot-torn capital, Defense Minister Leo Delcroix said on Sunday in Brussels.

Zaire's president, Mobutu Sese Seko, has refused entry to more than 300 Belgian paratroopers sent to evacuate Belgian citizens. The paratroopers are now waiting in Congo.

Mr. Delcroix said that at present the operation to evacuate Belgian nationals was proceeding as

planned and he saw no need to use any of the paratroopers.

"We have no intention of going into Kinshasa except if one of our compatriots is in peril and wants to be evacuated," Mr. Delcroix said. "If there are difficulties with one of our compatriots we will see what has to be done."

"We will do the necessary," he said.

Asked whether Belgium was prepared to defy Marshal Mobutu after his refusal to let the troops enter, Mr. Delcroix said only that it would be up to the paratroopers' commander to judge the situation.

But he stressed that Belgium, Zaire's former colonial ruler, had no intention of intervening in the country's political crisis.

In a clear warning to Belgian troops not to risk a landing, Zaire's military chiefs have declared a riverine area of Kinshasa close to the Belgian Embassy an "operational zone."

A statement from Kinshasa's governor, first read on state television on Saturday night, said the wealthy Gombe district was now sealed off from the rest of the city.

"Entrance from now on requires a special permit issued by the military security services," it said.

Marshal Mobutu has warned Brussels that Belgian troops have "absolutely no authorization" to enter the city to rescue their 3,000 nationals in Zaire.

By sealing off Gombe, where the lawns of embassy compounds

stretch down to the river bank, Marshal Mobutu has effectively banned any landing by the Belgians.

Marshal Mobutu said last month that prominent members of the Belgian government were in league with the opposition to end his 28-year rule.

One person was killed and two were wounded Saturday when a rocket was fired at a house lived in by the opposition politician Kibassa Mahiba, sources in the opposition Holy Alliance said.

The incident was in the Binza district of Kinshasa, where shots and loud explosions were heard throughout Saturday night.

Virtually the only cars on the roads Sunday were diplomats' vehicles.

The official media gave no details of a crackdown on mutinous troops, who rampaged Thursday after Marshal Mobutu paid them with currency his rival and prime minister, Etienne Tshisekedi, declared worthless.

The Zairian League of Human Rights said that soldiers had killed more than 100 people, including the French ambassador, Philippe Bernard, 61, and several other foreigners, since the mutiny by paratroopers.

Foreign Minister Willy Claes of Belgium said Saturday that "a lot of violence took place during the so-called restoration of order" and that "a number of Belgian nuns" had been raped. (AFP, Reuters)

BOSNIA: Russian Warning

(Continued from page 1)

rejection of the peace plan and said he did not see an end to the war in his republic.

In Sarajevo, his foreign affairs adviser, Hajrudin Somun, said in a radio interview: "I'm glad that the negotiations in Geneva have failed. But I'm sorry that they are continuing on a higher level — the Security Council."

And in a campaign speech ahead of local elections next month, President Franjo Tudjman of Croatia served notice Saturday that he would not halt his 10-day-old offensive in southern Croatia unless Serbian rebels were disarmed and UN peacekeepers restored order.

Mr. Fedorov, adviser to the Russian vice president, Alexander V. Rutskoi, made the most explicit warning against military action by the United States or NATO in the nearly 10-month-old Bosnian conflict.

He said the use of Western force "would have very negative effects on our government, parliament and people due to the historical links between Russians and Serbs."

"Already in parliament there is a large majority which supports Serbia and which is ready to send thousands and thousands of volunteers to Serbia," Mr. Fedorov said. (AFP, Reuters, WP)

U.S. Position in Doubt
Paul Lewis of The New York Times reported from the United Nations, New York:

It remains unclear if the Clinton administration is ready to throw its full support behind the peace plan that Mr. Vance and Lord Owen want the factions to sign. Secretary of State Warren M. Christopher has criticized the plan as unfair to the Bosnian Muslims.

Mr. Christopher and the new chief U.S. representative at the United Nations, Madeleine K. Albright, are due to meet Secretary-General Butros Butros Ghali on Monday in New York.

Britain and France want the Security Council to endorse the Vance-Owen plan and send the factions back for further talks in Geneva after trying to convince them that they have no alternative to accepting it except further warfare and the prospect of a tighter economic embargo against the Belgrade government.

But for this strategy to work, the United States must also convince Bosnia's Muslims that it is not planning to rescue them by military force.

Pressure to provide more military aid to the Muslims is growing. Islamic countries have formally asked for an emergency Security Council meeting to lift the arms embargo on Bosnia so its forces can acquire the weapons they need to recapture territory seized by the Serbs.



Manfred Wörner speaking on Sunday in Davos, where he said the peace process in the former Yugoslavia might require force.

Taikichiro Mori, Richest Man, Dies

By Bruce Lambert
New York Times Service

Taikichiro Mori, 88, who became the richest man in the world after he quit his position as an economics professor at the age of 55 and built a real estate empire in central Tokyo, died Saturday of heart failure at a Tokyo hospital.

Mr. Mori ranked No. 1 on Forbes magazine's list of wealthiest people for the last two years. His worth in 1992 was estimated at \$13 billion.

That was \$3 billion more than his nearest rival, Yoshiaki Tsutsumi, a Japanese railway and golf course owner, and double the worth of the richest American, William H. Gates, founder of the computer software company Microsoft.

Mr. Mori was known as Tokyo's *oye-san*, a friendly term for landlord. He literally left his mark across the city.

Each of his projects displayed his name and the building's chronological place in his growing empire: Mori Building One, Mori Building Two and so on.

Born in Tokyo, Mr. Mori graduated from Tokyo Shoka University, now called Hitotsubashi University, in 1928.

After World War II, he taught trade theory at Yokohama City University and became the head of its School of Commerce.

After the death of his father, a rice farmer and merchant who had acquired two buildings, Mr. Mori inherited the modest family business in 1959. The timing was perfect for capitalizing on Japan's great expansion of the next three decades.

The company he headed over the years constructed more than 80

buildings, developing what became a prime area near the Imperial Palace and government agencies.

Mr. Mori's initial focus was on the Toranomon neighborhood in the Minato ward, where he grew up. It was a residential area of small wooden buildings and narrow, winding streets. Twice he had seen it destroyed, first by the earthquake of 1923 and then by the American bombing in World War II.

Gradually, he helped transform it into a modern urban center of sleek glass, concrete and brick towers.

Mr. Mori expressed nostalgic ambivalence about having helped reshape Tokyo's skyline. "We have to change in order to live in the new era," he said.

But he added: "In a way, I feel very sad that the neighborhood has changed this way. In my childhood, the roads were very narrow, and just like a snake who swallowed an egg, they would widen out in places, and children would play hide and seek and spin tops without danger from the traffic as there is today."

Thousands Leave Togo Capital as Troops Rampage

Agence France-Presse

LOME, Togo — Residents of Lome began to flee the capital by the thousands on Sunday, a day after rampaging Togolese soldiers killed at least six civilians, wounding others and pillaging shops.

An 11-year-old French boy was among those shot and killed on Saturday. The violence continued late into the evening despite a call from President Gnassingbé Eyadema for the troops to return to barracks.

General Eyadema said the soldiers had wanted revenge for the murder of one of their number on Friday.

Five other civilians were killed and 14 were wounded by gunshots, according to sources at the central hospital. They added that an undisclosed number of wounded members of the security forces were admitted on Sunday morning.

ISRAEL: Cabinet Debates Action

(Continued from page 1)

ed to meet on the deportations later this week.

Some Israeli ministers, however, indicated Sunday that there would be no reversal of the cabinet's deportation decision. "There is no reason for the government to retreat one bit from its previous position," said Housing Minister Binjamin Ben Eliezer, who is considered close to Mr. Rabin.

The Israeli government's stance appeared to have been bolstered by the killing on Saturday of two soldiers in the Gaza Strip by Hamas gunmen. A series of such attacks had prompted the deportations.

As the cabinet met, the army disclosed that the Shin Bet security service had arrested two Arab-American visitors who it said had been sent to Israel to help rebuild Hamas after the mass detention and expulsion of its reputed leaders last month.

The two men were identified as Mohammed Abdel Hamid Salah and Mohammad Joma Hilmi Jarad, both residents of Chicago

with relatives in the West Bank. Their arrests led to the detention of another 40 suspected Hamas members, the army said.

A background paper issued by the government press office said the two were arrested last Monday after they were sent by Hamas leaders in the United States and Britain to deliver money and instructions to militants in the occupied territories. They were found in possession of more than \$100,000 and written minutes of meetings with Hamas members in which attacks, including suicide missions, were discussed, the statement added.

Israeli security officials say they believe that Hamas has moved its main command structure to the United States after repeated arrests of its leaders in the occupied territories. According to these officials, Hamas operatives in the United States control regional commands of the organization in the West Bank and the Gaza Strip, ordering guerrilla attacks and receiving reports from the occupied territories.

U.S. Position in Doubt

Paul Lewis of The New York Times reported from the United Nations, New York:

It remains unclear if the Clinton administration is ready to throw its full support behind the peace plan that Mr. Vance and Lord Owen want the factions to sign. Secretary of State Warren M. Christopher has criticized the plan as unfair to the Bosnian Muslims.

Mr. Christopher and the new chief U.S. representative at the United Nations, Madeleine K. Albright, are due to meet Secretary-General Butros Butros Ghali on Monday in New York.

Britain and France want the Security Council to endorse the Vance-Owen plan and send the factions back for further talks in Geneva after trying to convince them that they have no alternative to accepting it except further warfare and the prospect of a tighter economic embargo against the Belgrade government.

But for this strategy to work, the United States must also convince Bosnia's Muslims that it is not planning to rescue them by military force.

Pressure to provide more military aid to the Muslims is growing. Islamic countries have formally asked for an emergency Security Council meeting to lift the arms embargo on Bosnia so its forces can acquire the weapons they need to recapture territory seized by the Serbs.

CAPITAL: A Desperate Russia Is Bleeding Money

(Continued from page 1)

of businessmen and traders are flouting these regulations, and the government has had little success in stopping them.

The magnitude of such trade is staggering. The Russian Security Ministry says one in three barrels of Russian oil sold abroad, and one of every two tons of nickel, now arrives through "unofficial channels." Although Trade Ministry officials say these estimates are exaggerated, authorities say scarcely any of the money earned on the free-lance sale of these vital materials returns to Russia.

The money drain raises basic questions about the future of economic reform in the former Soviet Union. The unchecked flow of natural resources and capital to the West encourages an economy of smugglers and traders rather than producers. It fuels the arguments of some Russian politicians that capitalism can lead to exploitation and thus should be smothered by state power. And it hinders development of a stable, regulated market economy.

The outflow also poses problems for Western policy makers. Western bankers are reluctant to provide large-scale debt relief and hard-currency aid if money sent into Russia merely makes a U-turn back into unregulated Western bank accounts. Nor is it easy for Western corporations to make long-term investments in the region while the political economy is wracked by short-term opportunism and corruption.

Nobody knows exactly how much money is leaving the former Soviet Union today — by its nature, the unofficial flight of money to the West is not subject to normal accounting. But estimates by Western bankers and experts, based on banking data and other information, suggest the amount of wayward funds represents a significant percentage of Russian hard currency export revenue, which is vital to pay off debts and fund the bloated Russian state budget.

The International Institute of Finance, a prominent banking analysis concern, estimates that \$17 billion left Russia in 1991 and 1992 and has not returned. That would mean that for every \$4 in hard currency earned from Russian exports during those two years, at least \$1 was lost through the flight of capital to the West.

Bogotá Blames Escobar for Blast That Killed 20

Reuters

BOGOTA — The government said Sunday that the Medellín drug ring was responsible for a powerful car bomb that ripped through a crowded Bogotá shopping street, killing 20 people and wounding 68.

President César Gaviria Trujillo said intelligence reports indicated that the attack was the work of the cocaine ring's fugitive chief, Pablo Escobar Gaviria, who escaped from jail in July last year and has vowed to renew his war against the government. He claims he is being persecuted.

The 110-kilogram (220-pound) bomb, inside a parked car, exploded on Saturday in the center of the capital while parents were out with their children on the last shopping day before school reopened.

Early Sunday, two car bombs exploded in Medellín, home city of the Escobar drug ring, wounding four people. The bombs were detonated in front of apartment buildings in the upper-class neighborhood of Poblado, damaging several structures, the police said.

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Panama
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By U.S.
Bosnia
Threatens A...

Panama Cautioned By U.S.

Rising Corruption Threatens Aid

By Tod Robberson
Washington Post Service

PANAMA CITY — The United States has warned Panama of its growing concern about corruption and high-level government links to Colombian drug traffickers, which have flourished since U.S. armed forces removed Manuel Antonio Noriega in 1989.

Panamanian politicians close to the Clinton administration say Washington may be distancing itself from the government of President Guillermo Endara, who took office at a U.S. military base during the invasion launched for the avowed purpose of ending drug-money laundering.

At stake is a three-year, \$1 billion aid effort initiated by the Bush administration to prop up the Endara government, dismantle the nation's financial support network for Colombian drug rings and initiate clean, democratic government.

But in the last six weeks, Mr. Endara's government has come under fire from the Roman Catholic Church as well as the U.S. ambassador, Deane R. Hinton, and Secretary of State Warren M. Christopher for its failure to root out corruption and assistance to Colombian traffickers.

Various Panamanian and American officials, including agents of the Drug Enforcement Administration, said in interviews that there was a lack of political will here to change the status quo because too many prominent Panamanians were profiting from the spillover of Colombian money-laundering operations.

Mr. Hinton warned in a speech on Dec. 15 that "after 21 years of corrupt dictatorship, Panamanians expect a high standard of conduct both from public officials and from the private sector."

Specifying the "scourges" of drug trafficking and money laundering, Mr. Hinton said that "constitutional government might not survive if widespread corruption or even uncertainty about the extent of corruption were slowly to eat away at public confidence in democracy."

Before being sworn in as secretary of state this month, Mr. Christopher told the Senate Foreign Relations Committee that despite Mr. Noriega's ouster, the situation in Panama "is not much better."



Wreckage of the Nairobi-Mombasa train after a bridge collapsed and the engine and five cars tumbled into a storm-swollen river.

117 Killed in Kenya as Train Falls Into River

Reuters

NGAI NDEITHIA, Kenya — The police extended their search Sunday for victims of a disaster in which at least 117 people died after a bridge collapsed in a flash flood and the engine and five coaches of the Mombasa-Nairobi Express plunged into a river.

More than 180 people were still unaccounted for and the final death toll could be much higher, officials said.

Many of the missing in the crash Saturday night are believed to have been swept downstream. Others staggered away during the 10 hours it took rescuers to reach the scene.

A police officer at the bridge, over the storm-swollen Ndeithia Geithia River, said rescue teams had found 59 bodies on the bank and another 58 had been pulled out of the water. He said divers would continue the search downstream.

Edward Omondi, 10, said he had lost his parents and sister. He survived by holding onto the top of a coach and climbing through a window to safety. "God failed to save us," he said. "He brought too much rain and denied me my parents."

Police said they had found the bodies of two Europeans and three Asians in the wreckage.

The train was halfway through its 500-kilometer journey when the bridge carrying the single-line track over the river collapsed.

A conductor yanked an uncoupling cord and stopped more coaches from following the front of the train into the water, officials said. Both drivers in the locomotive were killed.

Iran Calls for U.S. 'Goodwill'

The Associated Press

TEHRAN — President Hashemi Rafsanjani said Sunday that Iran needed "some goodwill gestures" from the United States before it would consider resuming diplomatic ties.

He suggested that one such measure would be the freeing of billions of dollars in Iranian assets frozen in the United States.

Mr. Rafsanjani also called for the lifting of the embargo on weapons sales to the Muslims in Bosnia-Herzegovina; repeated Iran's support for a cutback in OPEC oil production to bolster prices, and said the "death sentence" against Salman Rushdie still stood.

He made the remarks at a news conference marking the 1979 revolution that brought Ayatollah Ruhollah Khomeini to power.

It was Mr. Rafsanjani's first news conference with foreign reporters in two years, but most of remarks seemed to underscore the Iranian's isolationist policy.

Asked about the possible resumption of ties with the United States, severed after Iranian militants seized 52 hostages in the U.S. Embassy in Tehran in November 1979 and held them for 444 days, he accused the United States of "continued animosity" toward Iran and said restoration of diplomatic relations would require "some signal of goodwill in practice and not in theory."

Iran has demanded \$11 billion for military equipment ordered by Shah Mohammed Reza Pahlavi before the 1979 revolution. Washington froze the deliveries after the hostages were taken.

Mr. Rafsanjani also said that although he saw the regime of the Iraqi president, Saddam Hussein, as a destabilizing force in the region, he opposed U.S. intervention.

"We do not think the solution is that a power like the United States comes to the region and takes control of the fate of the Iraqi people," he said. "We suspect the intentions of the United States and the West."

Asked about the "death sentence" issued against Mr. Rushdie by Ayatollah Khomeini on Feb. 14, 1989, after Mr. Rushdie wrote "The Satanic Verses," Mr. Rafsanjani said: "Nothing can change this because, unfortunately, the leader is deceased, he is not with us and he cannot change the verdict."

And Iraq Pins Hope on Clinton

Compiled by Our Staff From Dispatches

BAGHDAD — Iraq said Sunday that it expected the Clinton administration to give it more credit for complying with United Nations resolutions.

But the top UN nuclear inspector in Iraq ended his latest mission saying that Baghdad still had a long way to go to prove it was committed to dismantling its weapons programs.

The Iraqi deputy prime minister, Tariq Aziz, said on the BBC that "the Bush administration deliberately obscured the degree of implementation of UN resolutions because it wanted to use that as a political tool to destabilize the government of Iraq."

Calling for a new chapter in relations with Washington, he said his government had shown far greater compliance with Gulf War ceasefire terms than former president George Bush had claimed.

He also linked freedom for two Britons imprisoned in Baghdad to the release of Iraqi assets frozen in Britain.

Mr. Aziz complained that the British government had unjustly frozen millions of dollars of Iraqi assets during the Gulf War. If the money is released for humanitarian purposes, he said, two Britons held in Iraq may also be freed.

Paul Ride, 33, a caterer from London, is serving seven years for entering Iraq illegally. Michael Wainwright, 42, a construction worker from West Yorkshire, was jailed for 10 years for the same offense.

Mr. Aziz said the men remained in jail because the British government "has not shown any understanding toward the plight, the hardships of the Iraqi people."

The United States and its British and French allies renewed attacks on Iraq in January on the grounds that it was flouting UN resolutions adopted after the Gulf War.

The senior UN nuclear inspector in Iraq, Maurizio Zifferero, said the ban should not be lifted until Baghdad comes clean on which foreign firms supplied its nuclear weapons program.

Mr. Zifferero, ending the first nuclear inspection visit since the allied air strikes, said he could see no easing of sanctions until Baghdad revealed the sources of its equipment and technology.

Iraq has so far refused to supply the list.

Initial results from Iraqi water samples being analyzed in Vienna indicated that Baghdad had not been running any nuclear program since the Gulf War, he said.

Mr. Zifferero said an Iraqi factory flattened by U.S. cruise missiles two weeks ago had been "rearranged" for peaceful purposes after the Gulf War. But the factory on the outskirts of Baghdad, was once an important part of Iraq's nuclear program and could have been converted back again, he said.

(Reuters, AP)

Amid Ruins and the Warlords, Prominent Somalis Regroup

By Keith B. Richburg
Washington Post Service

MOGADISHU, Somalia — With the country largely reduced to ruin and its once mighty warlords' power sapped by almost 40,000 foreign troops sent to restore order, Somalis not associated with the warlords are slowly starting to find their voice.

Intellectuals, business and professional people, elders and clerics are coming to the fore, often with the encouragement of the special U.S. envoy here, Robert B. Oakley. Many meet regularly, including weekly sessions with Mr. Oakley at the U.S. liaison office, to trade ideas about ways to repair the shredded social fabric.

The emergence of the groups has been overshadowed by the daily developments of U.S. Marines battling Somali gunmen and of warlords meeting in Addis Ababa, Ethiopia, to talk peace. But the rise of alternative voices appears to many to be the best defense against the warlords' return to prominence, if those new voices are heard before the foreign troops go home.

"For the past two years, most of the social forces — like women, intellectuals, wise men — they were silenced by the gun," said Abdurrahman Osman Raghe, once a senior civil servant in the Interior Ministry who now is chairman of an intelligence group called Afri-Action. "With the arrival of the forces, the social forces can now talk. They can reorganize themselves."

Six weeks after the U.S.-led multinational force swept into Somalia to impose enough order for food to be brought to starving millions, Mogadishu's two warlords still maintain an almost surreal facade, jockeying for advantage and clinging to pretensions of power — even though their militias have been corralled into designated camps and much of their heavy equipment and weaponry have been banished from the city.

On the north side of Mogadishu, where two years of civil war has left little but rubble, Mohammed Ali Mahdi recently entertained at a lavish meal on the roof of his whitewashed villa. He seemed oblivious to the crackle of machine-gun fire below, noting at one point that "it's getting better."

Mr. Mahdi was chosen to be Somalia's leader by a group of opposition leaders soon after the overthrow of President Mohammed Siad Barre. He still considers himself the country's "interim president."

On the opposite side of the divided capital, Mohammed Farrah Aidid holds court at his fortified residence, where he issues ringing denunciations of political rivals who "do not want peace and reconciliation among Somalis."

General Aidid led a rally last week with banners and a poetry reading to mark the second anniversary of Mr. Siad Barre's fall. He did not acknowledge that the ouster precipitated an orgy of warfare and banditry, and brought about one of the worst famines in recent history.

But the foreign forces' power is readily evident. General Aidid, Mr. Mahdi and a dozen other warlords agreed under U.S. pressure to attend United Nations-sponsored peace talks in Ethiopia. Mr. Oakley also brought Mr. Mahdi and General Aidid together for a meeting that led to their agreement to end hostilities and reunite the capital.

Many Somalis, foreign-aid workers and others accused Washington of legitimizing the warlords by talking with them, but others noted that it also was encouraging the emergence of other groups, here and in town hall-type sessions elsewhere in the country.

Abdulkadir Yah Ya Ali, a former U.S. Embassy employee and Mahdi aide who works for Afri-Action, said it would have been impossible for foreign forces to circumvent the warlords entirely, since the bulk of their men and equipment is waiting in the north for the day the Americans depart.

"I won't say forget them now; it's too early," Mr. Ali said. "The Americans have to consider Ali Mahdi and Aidid and the others. But 70 percent of their activities must be centered on the others."

The Americans now "are assisting their intellectuals," he said.

In-Country Talks

Somalia's warring factions will try to convene a national reconciliation conference in talks starting Monday, Reuters reported from Mogadishu. The talks will be the first held in Somalia. The UN-fostered peace talks in Addis Ababa began on Jan. 4.

Mori, n, Dies

Rising Corruption Threatens Aid

By Tod Robberson

PANAMA CITY — The United States has warned Panama of its growing concern about corruption and high-level government links to Colombian drug traffickers, which have flourished since U.S. armed forces removed Manuel Antonio Noriega in 1989.

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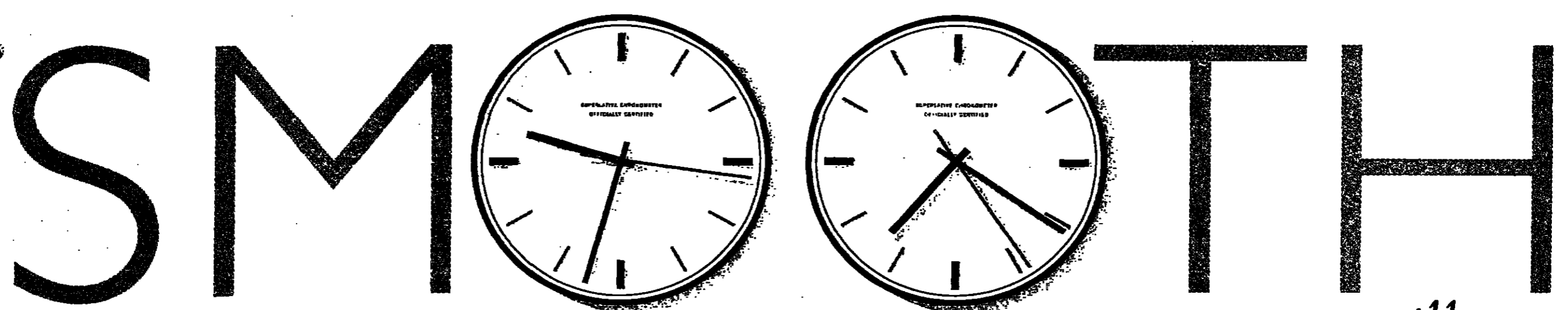
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INTERNATIONAL Herald Tribune

A Timid Stimulus?

President Bill Clinton, reacting to news of huge layoffs at IBM, Boeing, Sears and other corporate giants, plans to propose \$15 billion or \$20 billion in federal spending increases and tax cuts to stimulate job growth.

growth and high unemployment presents President Clinton with an opportunity. He can jack up federal spending without fear of straining the economy or fueling inflation.

Revolt in the Boardroom

The spirit of revolution wears a pin-striped gray suit when it enters corporate boardrooms, but it is nonetheless genuine. Last Tuesday, IBM's directors accepted the resignation of their chairman, and on Wednesday another board similarly forced out the chairman of Westinghouse Electric.

hands of institutional investors like pension funds that took no responsibility for corporate management. If they eventually lose confidence in management, they sold. But that is changing, too. Many of the funds are now sufficiently large, and their holdings in leading companies sufficiently massive, that they cannot sell without wrecking the market for the stock.

Nuclear South Asia?

After America and Russia agreed to radical arms reductions, the risk of nuclear war seemed to recede, to the relief of most ordinary mortals. But the risk may just have been relocated — to South Asia, where India and Pakistan are careering along on a nuclear collision course.

and builds its own; nothing could add more to India's insecurity. A Pakistani bomb seems more likely following the death of the army chief of staff, General Asif Nawaz, who was a prominent nuclear dove.

Other Comment

UN Forces Should Withdraw Three weeks from now, when the United Nations mandate in Krajina comes up for renewal, it should be terminated, and all UN forces should be withdrawn from the Balkans at that time.

mines they had earlier placed in the Perce dam, threatening Croatia with a potentially catastrophic loss of life, it was clear that general war had in fact broken out.

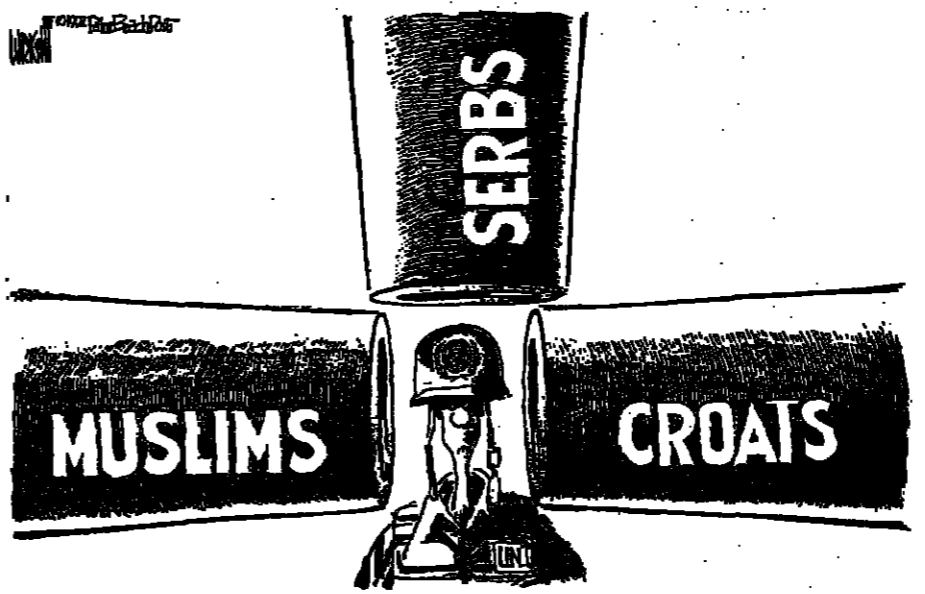
Waiting, Maybe, for Clinton to Say 'Yes'

By Leslie H. Gelb

PARIS — After a week of travel in Western Europe, I find that one point leaps out: The experienced and sophisticated leaders of these countries are waiting for a man who has been governor of Arkansas for the last decade to tell them what to do about a place in their backyard called Bosnia-Herzegovina.

despite the parties' failure to fully accept it even after Cyrus Vance's threat to seek United Nations sanctions against holdouts — represents the only realistic course of action.

details of the still secret proposal with General Colin Powell, his American counterpart, and is awaiting a reply.



India: Wondering What to Make of the New Man

By Sumanda K. Datta-Ray

CALCUTTA — Indians heard of Washington's decision to transfer Ambassador Thomas Pickering from New Delhi to Moscow with considerable dismay. Mr. Pickering was the high-profile U.S. representative at the United Nations until July when James Baker, then secretary of state, shunted him off to India.

mean "better relations" between the United States and India. Stronger ties with America lie at the core of the sweeping political and economic changes that Mr. Rao has been trying to push through ever since the disappearance of the Soviet Union deprived India of its traditional prop in international affairs and its

Reagan first agreed to sell India sophisticated dual purpose technology, while the two countries entered into a strategic partnership during the Bush administration. Last year's joint naval exercise and combined military training programs led to a recent joint army management seminar, hosted by India, as part of a 10-year plan for security cooperation between the two countries.

Into the Security Council, Out of the Nuclear Trap

By Ramesh Thakur

NEW DELHI — India has been an opponent of the 1970 Nuclear Nonproliferation Treaty from the start. However, India also aspires to become a permanent member of the United Nations Security Council.

This needs redress for two reasons. First, power stratification is never rigid; states are upwardly or downwardly mobile. A static permanent membership that fails to take into account changes in the world's power structure breeds resentment among claimants to the ranks of the great powers.

seriously aggravate India's relations with virtually all other South Asian states. The regional security environment would deteriorate sharply; levels of fear and mistrust would rise.

INTERNATIONAL HERALD TRIBUNE KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER Co-Chairman

Time for Strong Collective Leadership

IF INDIA has remained unbroken since the subcontinent was partitioned in 1947, it must thank its men in uniform who have suppressed militants from Punjab and Kashmir in the Indian government's overtures of peace have been spurned by the militants in Punjab and Kashmir.

make a clear choice and a clean break from these debilitating aims. In the country's interest, they must support the secular political parties. They alone can steer the nation through these troubled times. Given time, the wounds should heal.

1893: Anti-English Egypt CAIRO — Affairs appear far from settled, and an uneasiness prevails which can only be suppressed by firm measures. To-day [Jan. 31] the medical students again rebelled. Although this is a small matter in itself, it demonstrates the existence of an undercurrent of feeling against the English.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

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Russia: A Case for Optimism

By Stephen S. Rosenfeld

WASHINGTON — The uneasy sense spreads that reform in Russia is failing. The chaos growing, democracy eroding, the leadership flailing and the country coming apart. Something systemically terrible, whatever it may be, could yet happen. But is this a full picture of events? It so much depends on the answer that it seems to me of special value at this moment to inspect another view: that of S. Frederick Starr, a respected practitioner in the Russian field who is also president of Oberlin College.

Vertical text on the right edge of the page, including 'CAPITAL MA...', 'which Ecu...', 'despite Cur...', 'THE TR...', 'CURRENC...', and '1993'.

Russian A Case for Optimism

CAPITAL MARKETS

French Ecu Issue Succeeds Despite Currency Jitters

By Carl Gewirtz
INTERNATIONAL HERALD TRIBUNE
PARIS — The timing was awful, but the French reopening of the market for bonds denominated in European currency units last week was a success.

With bids totaling 2.04 billion Ecus, France was able to issue 680 million Ecus of 10-year bonds, the upper end of the 500- to 700 million Ecus it intended to sell.

This week Britain will be returning to the Ecu market.

This week, Britain will return to the short end of the market, offering 500 million Ecus of three-year notes.

During its heyday early last year, Ecu bonds traded at yields that were about 50 basis points, or half a percentage point, below the yield investors could have earned had they bought government bonds in the 12 currencies comprising the basket currency.

At present, the yield is about equal to the theoretical level. Relative to the yield on French franc government paper, the French Ecu bond provides investors with a pick-up of 25 basis points.

This raises the question of how the European Community will finance its upcoming loan to Italy. The EC has agreed to lend Italy 8 billion Ecus and the first installment of 2 billion Ecus is due this month.

The EC, bankers add, could finance part of the loan by issuing a small amount of Ecu bonds, but it would have to top up the sum by issuing in Deutsche marks or U.S. dollars.

See BONDS, Page 9

Russia Says Reforms Rest on Aid

Compiled by Our Staff From Dispatches
DAVOS, Switzerland — The new Russian prime minister, Viktor S. Chernomyrdin, pledging commitment to free-market changes, urged the West on Sunday to agree quickly on a program to restructure his country's foreign debt.

Mr. Chernomyrdin told an international gathering of business and political leaders that the easing of the debt burden was essential to help his government fight hyperinflation and bring order to the chaotic Russian economy.

Continued reluctance by Western creditors to move in this direction, Mr. Chernomyrdin said, also appeared to suggest that they mistrusted the policies of the Russian leadership.

He was speaking at the annual World Economic Forum in Davos on his first visit abroad since his surprise appointment in December to replace the radical reformist, Yegor T. Gaidar.

Mr. Chernomyrdin pleaded for Western investment. "We are ready for the broadest cooperation with foreign partners," he said, "and we welcome anybody who is not afraid of the Russian market — those who will take a risk and put out a hand to us."

Beijing Gives Up March Target For GATT Entry

Compiled by Our Staff From Dispatches
BEIJING — China has given up hopes of joining the General Agreement on Tariffs and Trade in March despite a U.S. decision to resume talks on the issue suspended after the 1989 Tiananmen Square crackdown, according to reports Sunday.

A U.S. delegation is to arrive in Beijing before GATT talks in Geneva on March 15 to discuss China's application for contracting membership status, the official China Daily newspaper said.

LJ Zhongzhou, a trade official, said China expected significant progress to be made at the Geneva meeting. He expressed optimism that China would be granted membership before the end of the year.

But the new timetable pushes back the original target of March, which officials and the state-run media have been citing for months.

Coming Soon: China's Great Wall Street

Reuters

HONG KONG — Beijing's economic reform drive has spawned ambitious plans for a world-class financial center intended to rival even Wall Street, a Chinese-funded news agency said on Sunday.

Beijing's "Finance Street" will offer everything from banks and houses to restaurants and dance halls. The center will rise on 47 hectares (116 acres) along the capital's second ring road just west of Tiananmen Square.

"In the end, Finance Street will stand every bit as tall as New York's Wall Street or Hong Kong's central district," the agency said.

"Construction of a magnificent Finance Street with Chinese characteristics has begun with demolition and relocation," it said.

Coup Survivor Quits American Express

By Brett D. Fromson
Washington Post Service
NEW YORK — Just days after it appeared that the American Express Co. chairman, James D. Robinson 3d, had miraculously survived a coup attempt by disident directors unhappy with the company's recent performance, he announced his resignation.

Mr. Robinson, 57, in an interview from his home in Florida, said that one reason for his stepping down on Saturday was the huge public attention being paid to management problems at other large U.S. corporations, such as International Business Machines Corp. and General Motors Corp.

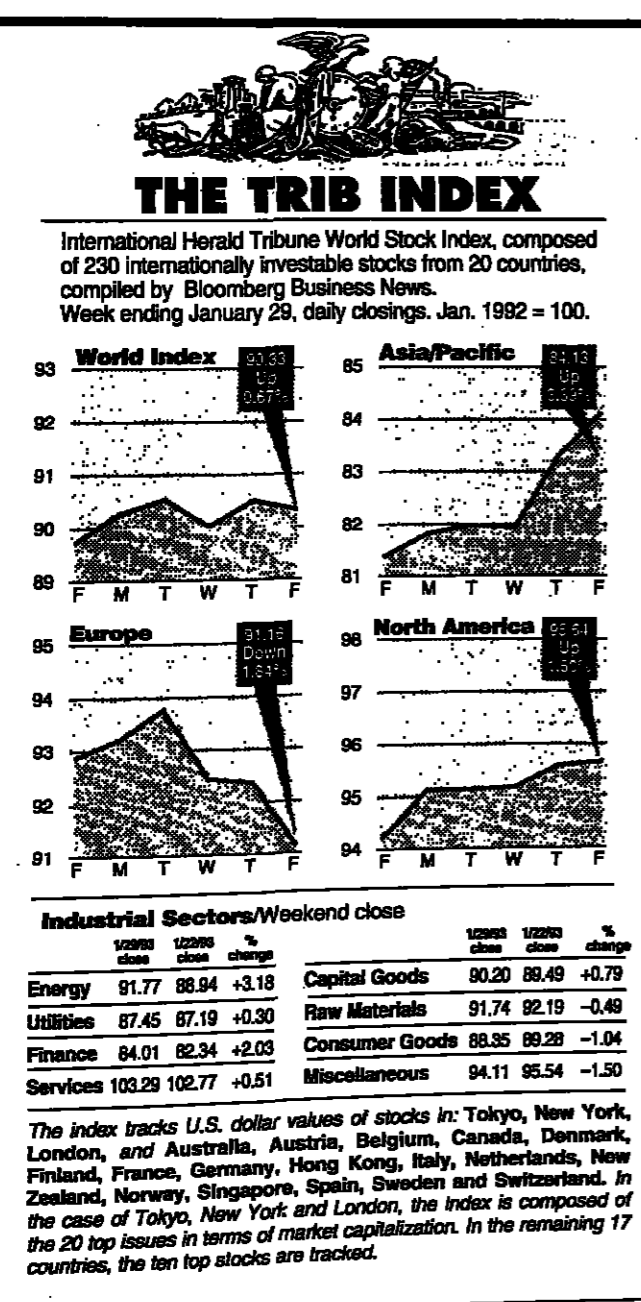
Mr. Robinson's resignation was a rancorous meeting on Thursday between Mr. Golub and large shareholders at American Express headquarters in New York. "The feedback from the shareholders was one of confusion and frustration. Based on that feedback, I took action," Mr. Robinson said.

Coup Survivor Quits American Express

Shareholders were angry at the prospect of Mr. Robinson's staying because they blame him for many of the problems that have dogged American Express in recent years. Despite the great bull market of the past five years, American Express shareholders have not been well compensated.

Two of the three — Rawleigh Warner Jr., former chief executive of Mobil Corp., and Joseph H. Williams, chief executive of the Williams Cos. — resigned to protest Mr. Robinson's remaining as chairman of American Express. A third, John J. Byrne, chief executive of the Fund American Companies, decided in November to leave the board.

Mr. Robinson's resignation becomes effective as of the next American Express board meeting, in late February. The board of American Express will meet Monday in New York to name a new chairman. Wall Street sources expect that American Express director Richard M. Furland will be named as interim chairman.



Paris Notebook: French Ads to Buff Tarnished Image in U.S.

Hoping to link its wagon to President Bill Clinton's infrastructure build-up plans, France will launch a 20 million franc (\$3.7 million) advertising campaign this month to booster the French industrial brand image in America.

The TGV high-speed train and Airbus will serve as visual symbols of French technological prowess in the U.S. business press campaign, called "Business France." The promotion will also target several industrial sectors where France excels, such as public transportation and environmental engineering.

"France has a certain image in America for luxury goods, tourism and quality of life, but we suffer from the absence of an industrial image," said Alain Bentejac, cabinet director for Bruno Dauvieux, the foreign trade minister.

Though France last week announced a spectacular comeback in foreign trade — turning a 30 billion franc deficit in 1991 into a 30.5 billion franc surplus in 1992 — it still is showing a deep gap in its merchandise exchanges with the United States.

In fact, with a negative balance of 26.4 billion francs in 1992, the deficit in U.S. trade was the second-largest among France's trading partners after that of Japan. Americans bought 79.9 billion francs worth of French goods in the year, while the United States shipped merchandise worth 106.4 billion francs to France.

Paris Notebook: French Ads to Buff Tarnished Image in U.S.

The industry is anxiously waiting to see how the government will interpret and apply the "Evin law," which was passed last year. The law is designed to cut consumption of beer, wine and spirits by severely restricting the message that producers can put before consumers.

The object of the law is to kill the desire for these products," said Roland Fereidj, executive director of the Bordeaux Wine Trade Council. He said Bordeaux, which sells 63 percent of its production domestically, could be hurt severely "in the long term" if the new law succeeds in blocking renewal of the market when current wine drinkers die off.

The upcoming application decree will also delineate which media can be used and how. Magazines and newspapers would not be affected, but outdoor advertising and store-window promotions could be prohibited or restricted.

Last fall, a decree was issued permitting radio advertising of alcoholic beverages only between midnight and 5 P.M., except for 7 A.M. on Wednesdays, when there is no school and children have the possibility of tuning in. Advertising of such products on television has always been prohibited.

Social Dumping

With the new European single market in place, a behind-the-scenes war has broken out between member countries seeking to lure company facilities — and jobs — from their neighbors.

France took the first blow last week when Hoover, the American vacuum cleaner giant owned by Maytag, decided to abandon its plant and 600 employees near Dijon to concentrate production in a plant in Cambuslang, Scotland, where workers voted to accept a relatively cheap wage and benefits package.

CURRENCY RATES

Table with columns for Currency, Par \$, and 30-day, 60-day, 90-day forward rates. Includes sub-sections for Cross Rates and Other Dollar Values.

Cathay Back to Normal As Union Talks Resume

Compiled by Our Staff From Dispatches
HONG KONG — For the first time in more than two weeks, Cathay Pacific Airlines passengers were able to take off the weekend without a strike disrupting operations.

The carrier and its flight attendants' union resumed government-mediated talks on Saturday following the collapse of the cabin crew's strike.

The 17-day walkout of the Flight Attendants Unions ended formally at midnight Friday after Hong Kong's Legislative Council established a 14-member committee to monitor the aftermath of the strike and urged the territory's flag carrier not to victimize strikers.

The move was extraordinary here, where the government usually takes the position that it plays no role in private-sector business affairs. The several hundred flight attendants still off their jobs agreed to end their walkout after the council action.

BusinessWeek International advertisement. This week's topics: The Star Search At IBM, British Telecom Woos EDS, Boeing Cuts Its Altitude, American Express: Who's In Charge?, Peek Into A Future Corporation. Now available at your newsstand!

High Technology & Profitability For The 21st Century advertisement. Two Major New Conferences: London March 25-26, Hong Kong May 17-18. Mark your calendar and plan to join the International Herald Tribune and the International Chamber of Commerce as they convene two major conferences on the theme "High Technology & Profitability for the 21st Century."

WEEKLY INTERNATIONAL BOND PRICES

Provided by Credit Suisse First Boston Limited, London, Tel: 322 40 00. Prices may vary according to market conditions and other factors. Jan. 29

Dollar Straights

Table with columns: Issuer, Con, Mat, Price, Yld, Bid, Ask

Governments/Supranationals

Table with columns: Issuer, Con, Mat, Price, Yld, Bid, Ask

Table with columns: Issuer, Con, Mat, Price, Yld, Bid, Ask

Banks & Finance

Table with columns: Issuer, Con, Mat, Price, Yld, Bid, Ask

Global Corporates

Table with columns: Issuer, Con, Mat, Price, Yld, Bid, Ask

Table with columns: Issuer, Con, Mat, Price, Yld, Bid, Ask

High Yielding Debt

Table with columns: Issuer, Con, Mat, Price, Yld, Bid, Ask

Dollar Zeros

Table with columns: Issuer, Con, Mat, Price, Yld, Bid, Ask

Table with columns: Issuer, Con, Mat, Price, Yld, Bid, Ask

Canadian Dollars

Table with columns: Issuer, Con, Mat, Price, Yld, Bid, Ask

Deutsche Marks

Table with columns: Issuer, Con, Mat, Price, Yld, Bid, Ask

Table with columns: Issuer, Con, Mat, Price, Yld, Bid, Ask

European Euro

Table with columns: Issuer, Con, Mat, Price, Yld, Bid, Ask

Japanese Yen

Table with columns: Issuer, Con, Mat, Price, Yld, Bid, Ask

Table with columns: Issuer, Con, Mat, Price, Yld, Bid, Ask

Swiss Franc

Table with columns: Issuer, Con, Mat, Price, Yld, Bid, Ask

Other Currencies

Table with columns: Issuer, Con, Mat, Price, Yld, Bid, Ask

Table with columns: Issuer, Con, Mat, Price, Yld, Bid, Ask

Other Currencies

Table with columns: Issuer, Con, Mat, Price, Yld, Bid, Ask

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Table with columns: Bid, Ask, Issuer, Con, Mat, Price, Yld, Bid, Ask

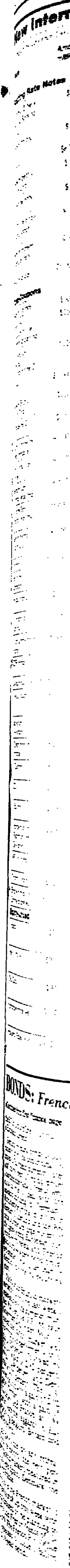
MUTUAL FUNDS

Figures as of close of trading Friday, Jan. 29

Table with columns: Bid, Ask, Issuer, Con, Mat, Price, Yld, Bid, Ask

Table with columns: Bid, Ask, Issuer, Con, Mat, Price, Yld, Bid, Ask

Table with columns: Bid, Ask, Issuer, Con, Mat, Price, Yld, Bid, Ask



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New International Bond Issues

Table listing various international bond issues with columns for Issuer, Amount (millions), Mat., Coup. %, Price, and Terms.

EC Failed To Help, Ahern Says

By Jim Clarity
New York Times Service
DUBLIN — The Irish government criticized its larger, richer European Community partners on Sunday for not helping this country of 3.5 million people avoid the 10 percent currency devaluation the government announced Saturday night in Brussels.

Clinton's Deficit Stance Aids Treasuries

United Press International
NEW YORK — Prices of U.S. Treasury bonds and notes rallied for the third consecutive week as yields plummeted to their lowest level in 64 years on the belief President Bill Clinton was taking solid steps to reduce the nation's huge budget deficit.

growing expectations that something will happen with the budget deficit," said Anthony Karydakis, senior financial economist at First Chicago Capital Markets in Chicago.
The economist said the rally was sparked by a statement made by U.S. CREDIT MARKETS
Treasury Secretary Lloyd Bentsen indicating the administration was considering a broad-based energy tax as a means of reducing the budget deficit.

The government made its decision public Saturday after a meeting with members of the EC monetary committee in Brussels, after it had been made clear that Ireland could expect no help from richer countries, particularly Germany, to intervene and help uphold the value of the Irish pound.
Neither Mr. Reynolds nor any other ranking officials discussed the devaluation publicly Saturday. But on Sunday the finance minister, Bertie Ahern, said, "We wanted a multilateral aid from the Bundesbank. But the Germans helped the French. There is not equal help for all members, for a small country."

The Week Ahead: World Economic Calendar, Feb. 1 - 5

Table detailing the world economic calendar for February 1-5, listing events such as interest rate decisions, trade agreements, and economic reports for various countries.

PUNT: Further Cuts?

(Continued from page 1)
point rate cut that would have been expected.

Such a big cut is "not in the cards now," Mr. Walter said, adding that the government's timid proposals to contain spending showed that it "has not understood the problem."
Criticism of the government's proposed package of tax increases and spending cuts was widespread. Gerard Lyons at DKB International in London, citing proposed cuts of 1 billion Deutsche marks (\$630 million) from subsidies totaling nearly 150 billion DM to the coal, coal and shipbuilding industries, said the plan "contains little of substance."

MUTUAL FUNDS (Continued)

Table listing mutual fund performance metrics including fund names, assets, and returns.

BONDS: French Issue Succeeds

(Continued from first finance page)
the EC should confine its choice to a European currency.
Demand for mark bonds is sustained both by the continuing jitter about European currency rates and the prospect of rising prices on the Bundesbank is free to set its own rates in line with the recession unfolding in Germany. But bankers report that the Benelux countries are large buyers of the higher-yielding European currencies — lira, peseta and French franc bonds — where bond prices are expected to rise faster than in Germany once the rate-cutting starts.

Smoker Looes Tobacco Suit

By Our Staff From Dispatches
BELLEVILLE, Illinois — R.J. REYNOLDS Tobacco Co., a unit of R.J.R. Nabisco Holdings Corp., said a state jury last week ordered a \$175 million settlement in a lawsuit by an Illinois smoker seeking damages against the company for getting lung cancer.
The Tobacco Institute, and an Illinois retail drug store were also named. The plaintiff, Charles Kueper, 51, a truck driver from Cahokia, Illinois, alleged he had lung cancer caused by smoking Reynolds' Winston cigarettes since 1959, the company said.

Euromarkets At a Glance

Table showing Euromarkets at a glance, including Eurobond yields and weekly sales.

Last Week's Markets

Table showing last week's markets, including stock indices and money rates.

Advertisement for 'The Wall Street Journal Europe' featuring the headline 'EUROPE' and 'the next 10 years'.

Vertical text on the left margin: 'Dies', 'Blames', 'Killed 20', 'n'.

WORLD STOCKS IN REVIEW

Via Agence France-Press

Amsterdam

The Amsterdam stock market index remains virtually unchanged last week in a week of modest trading volume.

The CBS all-share index closed Friday at 201.70, off slightly from 200.9 the previous week. Volume totaled 11.44 billion guilders, down from 19 billion guilders the week before.

Company news was dominated by the troubled truck maker DAF. On Friday, its only day of full trading, DAF shares fell 16.7 percent. A solution to its financial problems now seems weeks away, according to analysts.

Frankfurt

Stocks closed lower in a week marked by profit-taking with dealers expecting the trend to persist this week.

The DAX index suffered its first weekly fall of 1993, closing Friday at 1,571.85, down 1 percent from a week ago. Volume on the eight German exchanges rose to 24.33 billion Deutsche marks from 22.26 billion DM the previous week.

The weakness of the dollar. BMW dropped 17 DM during the week to 499 DM, after announcing it expected lower sales, and Daimler-Benz fell 4.70 DM to 571.80 DM.

Hong Kong

Hong Kong share prices dropped 2.76 percent during the holiday-shortened week as China renewed attacks on Governor Chris Patten's proposed political reforms.

The Hang Seng index shed 162.99 points to close at 5,731.40, its lowest reading since Jan. 13, when there was a lull in the Sino-British dispute over Mr. Patten's proposals to widen the election franchise for the territory before China's takeover in 1997.

London

Share prices had a mixed week in a market inspired by an interest rate cut but tempered by profit-taking and fears of a wave of major rights issues.

The Financial Times-Stock Exchange 100-share index rose 26 points during the week to close at 2,807.2.

domestic interest rates led to sharp gains on Tuesday. Profit-taking then eroded the gains during the rest of the week.

Milan

The MIB index rose 0.9 percent to 486.91 during the week, boosted by better-than-expected results for Fiat announced on Thursday.

Fiat shares rose 340 lire to 4,410 on Friday and the surge sparked gains for other blue chips.

Generali rose 1.82 percent, RAS climbed 3.31 percent, Mediobanca 4.58 percent and Ambroveneto 2.37 percent.

Paris

Predictions of poor results from some major companies weakened the market and the CAC-40 index fell 2.65 percent to 1,772.

Alcatel Alsthom said it did not expect its profit to rise in 1993 and Paribas reported results below expectations. Many dealers

said they feared more bad news this week from LYMH and Lyonnaise des Eaux Dumez.

Analysts also were not looking for any cut in French interest rates before the legislative elections in March.

Singapore

The Straits Times industrial index rose 23.38 points, to a record of 1,620.16, in a market boosted by buying after the Chinese lunar new year holiday. Buying was focused on blue chips and speculative issues, dealers said.

Dealers said the positive trend of the last weeks of 1992 had returned to the market. News that the government was planning to allow part of the workers' compulsory savings fund for investments also added to the firm sentiment.

Tokyo

Tokyo share prices rebounded last week on growing expectations of a further cut in the discount rate.

The Nikkei Stock Average of 225 selected issues, which had fallen 178.79 yen in

the course of the previous week, climbed 4.2 percent, or 686.97 yen, to 17,023.78 yen this week. The Tokyo Stock Price Index edged up 42.18 points to 1,298.88.

Daily volume averaged 250 million shares, up from the previous week's 190 million shares.

But market observers said Tokyo investors were cautious and did not expect the index to show sharp movement this week. After the market closed Friday, Bank of Japan Governor Yasushi Mieno resisted calls for a cut in the discount rate.

Zurich

The Swiss Performance Index closed Friday at 1,264.17, off 3.21 points for the week, as the market kept a sharp focus on the economic situation in Germany.

Traders said Germany's economic problems and fading hopes that the Bundesbank would soon cut interest rates were the major influences on trading.

Realty and insurance companies were the most actively traded. Swiss Volksbank, recently taken over by Credit Suisse, gained 25 francs on the week to close at 1,135 francs. Credit Suisse rose 20 francs to 2,130 while Union Bank of Switzerland rose 9 francs to 904 francs.

Hyundai Executives Indicted in Seoul

Compiled by Our Staff From Dispatchers

SEOUL — State prosecutors have indicted five senior executives of South Korea's giant Hyundai conglomerate for alleged illegal funding of the presidential election campaign of the group founder Chung Ju Yung.

The five, including Choi Soo Il, president of Hyundai Heavy Industries Co., were accused of diverting more than 50 billion won (\$63 million) from corporate funds into Mr. Chung's United People's Party, a prosecution spokesman said on Saturday.

News reports said Mr. Chung was likely to be indicted next week for alleged campaign irregularities when he returned home from an overseas trip.

If found guilty, he and the other officials may face from seven years to life in prison, the Korea Times reported.

election last month, was formally charged, he would remain at liberty until convicted, prosecution sources said.

On Jan. 14, the 77-year-old billionaire voluntarily submitted to questioning by prosecutors and deposed having ordered the illegal diversion of Hyundai funds into his presidential campaign.

Mr. Chung was also questioned about charges he made in early January that he gave 5 billion won to a rival presidential candidate to make him drop out of the race.

The rival, Lee Jong Chan, denies he received any money.

Just days before the election, the United People's Party made public an embarrassing tape of a meeting attended by the mayor of Pusan and other top city officials, illegally discussing ways of helping the governing party's candidate, Kim Young Sam, win the race.

(Reuters, AFP)

NASDAQ NATIONAL MARKET

OTC Consolidated trading for week ended Friday, Jan. 29.

Table with columns: Sales in 100s, High, Low, Close, Net Chg. Lists various OTC stocks like AAW, AD, ADP, etc.

Table with columns: Sales in 100s, High, Low, Close, Net Chg. Lists various NASDAQ stocks like AAL, ABB, ABC, etc.

Table with columns: Sales in 100s, High, Low, Close, Net Chg. Lists various NASDAQ stocks like AIG, AIZ, ALC, etc.

Table with columns: Sales in 100s, High, Low, Close, Net Chg. Lists various NASDAQ stocks like ALE, ALG, ALI, etc.

Large vertical advertisement on the right edge of the page, partially cut off, featuring 'SPC' and 'Rev. T'.

MONDAY SPORTS BASKETBALL

Roy Tarpley Seeks Self-Control, and a Second Chance in the NBA

By Ian Thomsen International Herald Tribune

CHOLET, France — Ducking his head, stepping out from his team's luxury bus, Roy Tarpley was startled once more by the depths of his fall.

kilos (6 feet, 11 inches, 260 pounds), though he appears heavier. "I always wanted to go to Europe, but I thought it would be at the end of my career," Tarpley says. "I didn't know it was going to come this soon."

From that point their friendship survived Tarpley's highs and lows. Last year, when Tarpley entered the drug and alcohol treatment center run by John Lucas in Houston, he invited Evans to visit him, to take part in counseling sessions.

"We sit back and talk about where we want to be not just tomorrow, but 10 years from now," Evans says. "Hopefully, one day I'll be doing what John's doing."

He talks about recouping his \$3 million NBA salary and, better, a championship. Yet his future still belongs to Dallas. Though he occasionally telephones the Mavericks' owner, Donald Carter, Tarpley isn't sure he wants to return to Dallas. He complains of harassment by police and media there.

Syracuse Keeps Seton Hall on the Slide

SYRACUSE, N.Y. — Lawrence Moten scored 15 of his 21 points in the second half as Syracuse beat No. 9 Seton Hall 76-67 Saturday for its second upset of a ranked team in five days.

No. 6 Cincinnati 80, DePaul 54: Playing at home, Cincinnati (15-1, 4-0 Great Midwest) won its 12th straight — the longest current winning streak in Division I — by forcing DePaul (10-9, 1-3) into a season-high 31 turnovers.

Shawn Respert scored 23 points for Michigan (11-5, 3-4 Big Ten). The Bolleymakers (12-4, 3-4) led 27-24 before Mike Peplowski's layup with 2:01 left in the first half started a 21-4 surge for the Spartans.

Little at Stake but Pride As Lakers Beat Celtics

BOSTON — Sedale Threatant and Anthony Peeler scored 16 points each as the Los Angeles Lakers beat the Boston Celtics 96-87 Saturday in the first game between the clubs since Larry Bird and Magic Johnson retired.

NASDAQ NATIONAL MARKET table with columns for OTC Consolidated trading for week ended Friday, Jan. 29. Includes sections for A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

MONDAY SPORTS AUSTRALIAN OPEN

Torrid Final Goes Swimmingly for Spirited Courier

By Christopher Clarey
International Herald Tribune

MELBOURNE — Jim Courier was running for the river, running toward a repeat of last year's victory swim with his coach and high-energy soul mate, Brad Stine.

Suddenly, Courier stopped and reached for his right leg, feeling the beginnings of a cramp. The Australian Open final was over, but his body was not about to let him forget two-and-a-half hours in 150 degrees Fahrenheit (65 centigrade) heat.

"At one stage, you feel like death," his opponent, Stefan Edberg, would explain later. "Then you start to feel that it's not so bad; then it hits you again. It was brutal."

Temperatures were indeed brutal on the rubberized Stadium Court at Flinders Park, but for most of the afternoon Courier was stronger than the conditions and considerably stronger than Edberg. His 6-2, 6-1, 6-2, 7-5 win gave him a fourth Grand Slam singles title and a second straight in Melbourne. It also represented a fitting end to a tournament he dominated from the start with his aggressive backcourt game and confident attitude.

"It's always very special to win

Grand Slams, and to come back and defend makes it twice as special," said Courier, who beat Edberg in four sets in last year's final.

Despite his No. 1 ranking and No. 1 seeding in Melbourne, Courier had not won a tournament since he swept to the French Open title on clay last June. He finished last year looking tired and out-of-sorts on fast indoor surfaces.

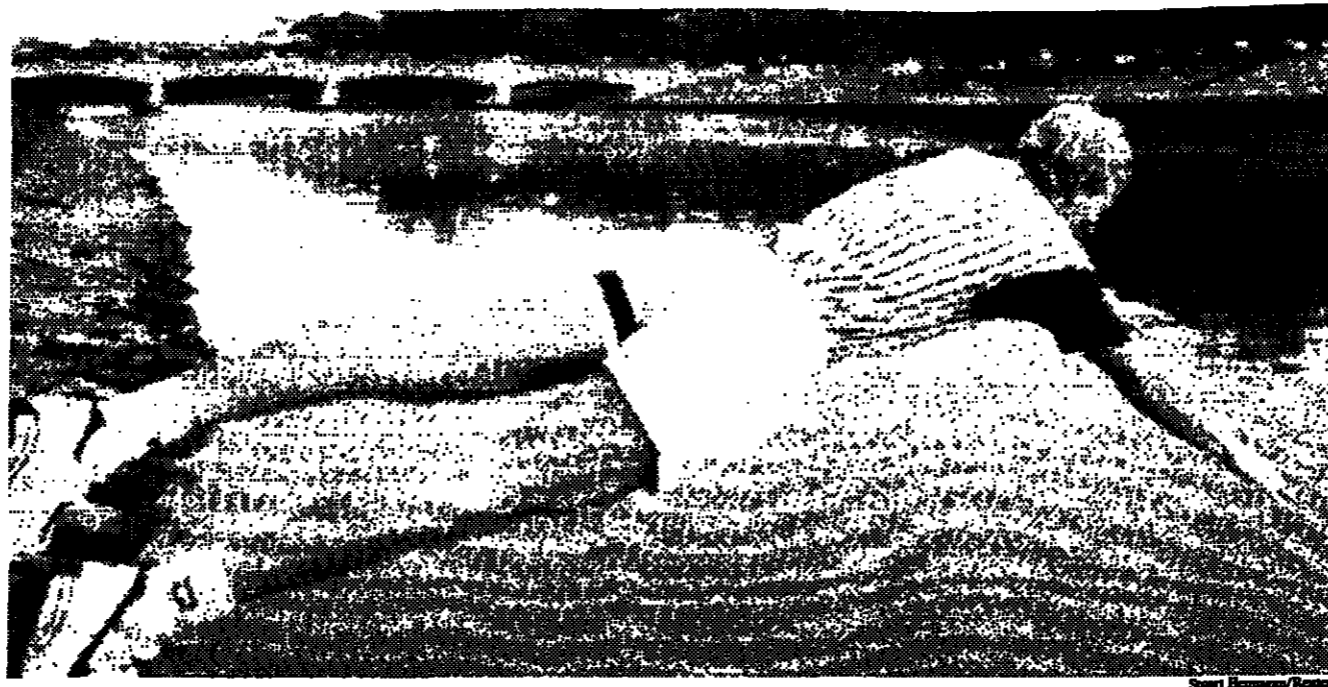
But time has proven that a rested and relaxed Courier is the most dangerous kind of Courier.

"A big key for Jim is that every year we come down here to Australia, he's feeling loose and happy," Stine said. "And when he's having a good time, he tends to come onto the court in a good frame of mind."

Aside from an outbreak that incurred a \$1,000 fine in the second round, Courier was a model of self-containment and ruthless efficiency, committing just 31 unforced errors in his last three matches.

The final against the second-seeded Edberg was, as usual, a contrast of styles. Courier won the first two sets handily because he played his style considerably better than Edberg played his.

The Swede was off-form from



Jim Courier's victory dive into the Yarra this year was better planned than last, and dozens of photographers were on hand to record it.

the start, shanking groundstrokes, missing volleys and hitting his second serve without consistent depth. Thanks to a consistently good first delivery and Edberg's inexperience, Courier lost only two points on his serve in the first set and did not lose a single point in the first three service games of the second set. He finally fell behind 0-40 when serving at 5-1, but Edberg was unable to capitalize.

Still Edberg, who showed no evidence of the back problem that plagued him last week, is too experienced and capable a player to

simply drop his handsome blond head and concede a Grand Slam final. In the third set, he finally found his range on his serve, approach shots and volleys.

He broke Courier's serve twice in the third, winning it on a double fault. But Edberg was unable to sustain his comeback, and in the 11th game of the fourth set, it was he who double-faulted to fall behind 6-5. He saved two match points in the next game, the second with a magnificent forehand volley. He could not save the third, and when his forehand return hit the

Seles, Bold as Ever, Punches Past Graf

International Herald Tribune

MELBOURNE — It has become one of the sporting clichés of the 1990s: Monica Seles with warm-up jacket neatly zipped up, clutching a large silver trophy as a horde of photographers jostle for a clear view.

The scene was replayed Saturday at Flinders Park, just as it has been replayed before at Roland Garros and Flushing Meadow.

"I never thought I'd do so well in Grand Slams," Seles said after beating Steffi Graf, 4-6, 6-3, 6-2, to win her third straight Australian Open.

Few have done so well so young. At 19, Seles has won eight Grand Slam singles titles, including seven of the last nine. The only leg to so far escape her is Wimbledon, where she did not play in 1991 and where Graf beat her in straight sets in 1992.

As for the other three Slams, the novelty is long gone. With her two-fisted ground strokes (two-toned grunt and remarkable will), Seles is a psychological force.

"It is her desire and her incredible self-confidence," said Graf, asked why Seles is so difficult to beat.

Saturday's match was in some respects of higher quality than last year's memorable French Open final, in which Seles beat Graf, 10-8, in the third set.

The standard of play Saturday was consistently high from the start and Graf was considerably less er-

SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE			
Atlantic Division			
Team	W	L	Pct
New York	25	15	.625
New Jersey	24	16	.600
Boston	22	18	.550
Orlando	18	19	.484
Philadelphia	17	24	.413
Atlanta	12	27	.305
Washington	12	29	.293

WESTERN CONFERENCE			
Midwest Division			
Team	W	L	Pct
Chicago	28	15	.651
Cleveland	28	16	.636
Indiana	21	21	.500
Atlanta	21	21	.500
Charlotte	20	22	.476
Detroit	19	23	.452
Milwaukee	17	25	.405

HOCKEY

NHL Standings

WALE CONFERENCE			
Patrick Division			
Team	W	L	T
Pittsburgh	34	14	4
Washington	25	21	5
New York	24	22	4
New Jersey	23	23	5
N.Y. Islanders	18	29	7

TENNIS

Australian Open

MEN'S DOUBLES FINAL			
Team	Score		
Danie Panatta, South Africa, and Laurie Warder (AUS) vs. Australia, John Fitzgerald, Australia, and Anders Jarryd (SWE)	4-6, 4-6, 4-6		

CRICKET

FIFTH TEST

Team	Wickets
Australia	19
West Indies	22

SOCCER

DUTCH FIRST DIVISION

Team	Goals
FC Eindhoven	4
FC Utrecht	3

DENNIS THE MENACE



PEANUTS



BLONDIE



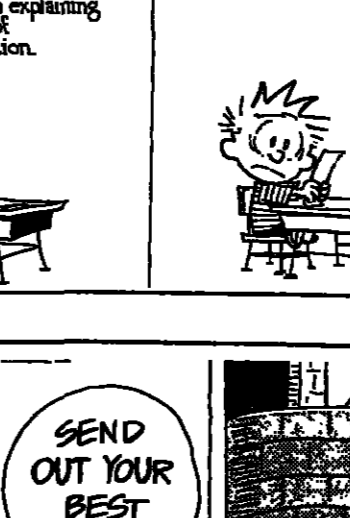
BEEBLE BAILEY



DOONESBURY



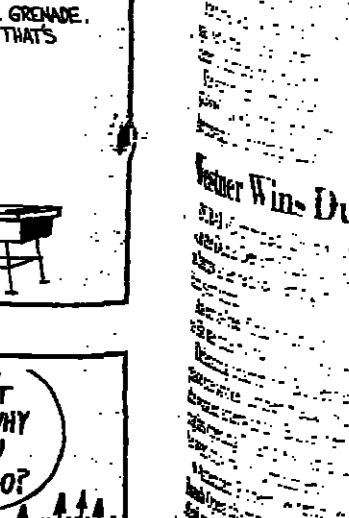
WIZARD of ID



REX MORGAN



GARFIELD



JUNBLE
THAT SCRAMBLED WORD GAME
by Herb Alpert

Unscramble these four Anagrams, one letter for each letter in the four arbitrary words.

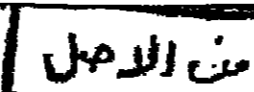
TOMIF
GNATY
MADAKS
DROAFE

Now arrange the circled letters to form words. The words are spelled by the circled letters.

Print answer here: A _____

Answers: JUMBLES, TOMATO, GINNETT, MADRID

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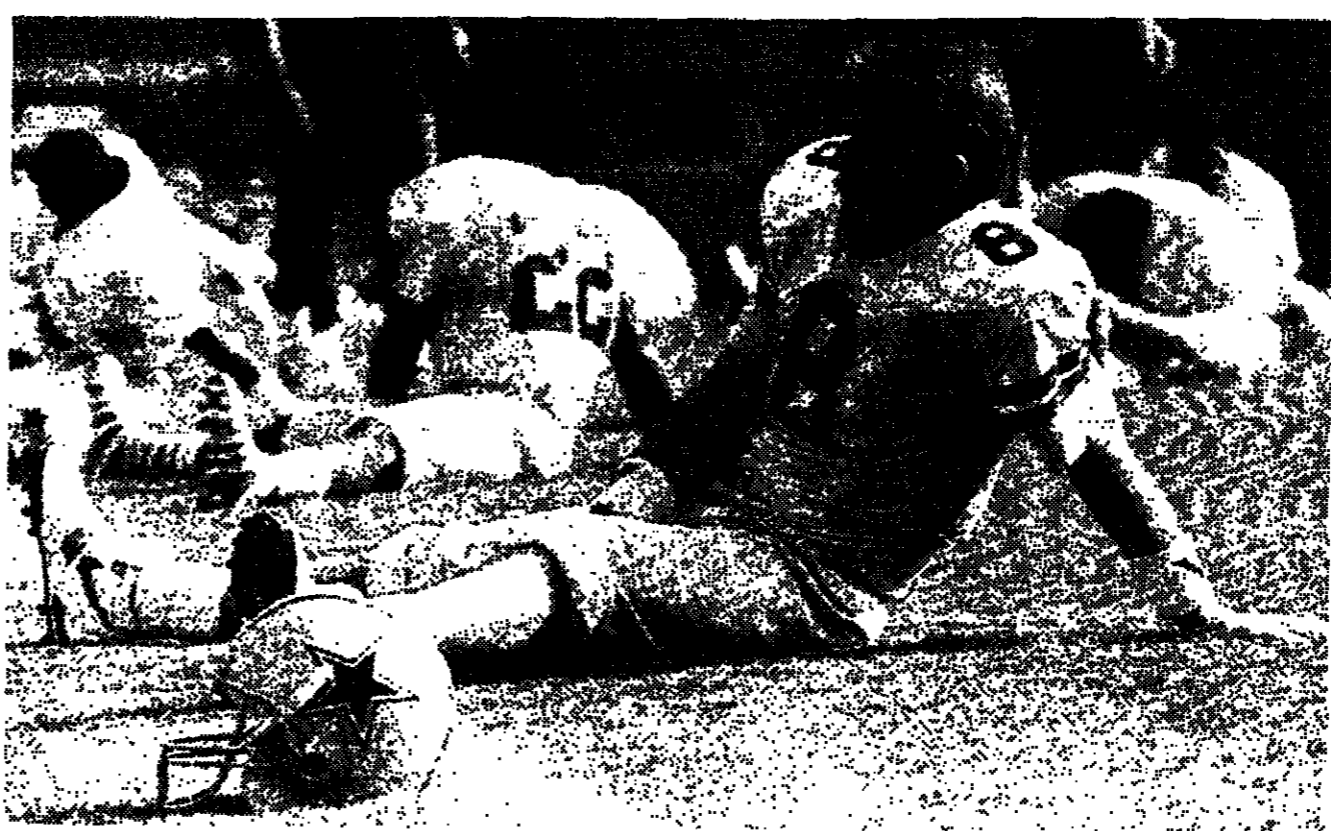
MONDAY SPORTS SUPER BOWL

The Game's Cast of Millions: Viewers, Stars and Dollars

By Richard Sandomir
LOS ANGELES — Super Bowl XXVII, between the Dallas Cowboys and the Buffalo Bills, renewed an American rite of sports and marketing that was born in relative modesty but has grown to be the indisputable champion of sports extravaganzas and a testament to American cash and cachet.

soda-sipping, chip-munching, car-buying consumers — a World Series game draws about half the viewership — means paying a price that dwarfs the second-highest amount paid for prime-time advertising, \$310,000 for 30 seconds on CBS's "Murphy Brown".

\$175 apiece (one price fits all), the NFL stood to realize \$17-\$18 million in gate receipts.



The pregame hype didn't seem to impress Cowboys' quarterback Troy Aikman, but he managed to keep himself awake for a workout.

Driven by a U.S. television audience of 100 million, the Super Bowl lures advertisers to spend millions and cities to grant sweetheart deals to attract the game.

over the course of a month would distill their message. How sure an investment is it? Of the 25 top-rated programs in television history, 12 have been Super Bowls.

Although shares should increase significantly now that labor peace has been achieved, the football figures for this year compare badly with those of the World Series champion Toronto Blue Jays, who received \$114,962 for a full share, and the runner-up Atlanta Braves, who got \$73,323.

When Violence Transcends Playing Field

By Robert Lipsyte
New York Times Service
IF Super Bowl tradition holds, more women than usual will have been beaten Sunday in their homes by the men in their lives; it seems an inevitable part of the post-game show.

People who run shelters and hot lines became aware in the mid-'80s that calls for help increased during major sporting events. A big game electrifies viewers with violent action and sexy advertising, heightening male-female tensions, creating a climate of aggression.

"Fans see athletes get away with violent behavior," Dr. Walker told Rachel Lurie of The Village Voice two years ago. She wasn't just talking about the "crunch time" brutality the NFL packages for home video. She said that year alone, five members of the Denver Broncos were involved in incidents of domestic violence and sexual assault.

SIDELINES

Milan Keeps Streak Intact, Barely

ROME (Combined Dispatches) — Italian league leader AC Milan survived a big scare against underdog Foggia Sunday before managing a 2-2 draw on the road to extend its unbeaten streak to 53 games.

Rare Non-French Win in Paris Trot

PARIS (AP) — Sweden's Queen L., driven by Stig Johansson, put on a finishing burst to win the Prix D'Amérique trotting race Sunday.

Westner Wins Dubai Desert Classic

DUBAI (Combined Dispatches) — South African Wayne Westner won the Dubai Desert Classic on Sunday, but Seve Ballesteros was almost as happy after rediscovering his touch with a third sub-70 round that left him joint third.

U.S. Soccer Team Ties Denmark

TEMPE, Arizona (LAT) — The U.S. soccer team played its first game of the new year with a nod to its past, showing inconsistency and pluck, youth and misjudgment. The team managed to fight back from a first-half deficit for a 2-2 tie against Denmark on Saturday.

For the Record

Jaroslav Sakala of the Czech Republic won his second World Cup ski jumping victory in 24 hours on Sunday in Bad Mitterndorf, Austria, with leaps of 189 and 190 meters (207 and 208 yards).

For Pro Football, Times Couldn't Be More Super

By Thomas Boswell
Washington Post Service
LOS ANGELES — Paul Tagliabue looked in all directions mid what he saw was good, Professional football, with his help, was undisturbed heavyweight sports champion of America. And, perhaps someday, the world.

What chance has the world got? We may live to see the day when Chairman Mao's great grandchildren want their hair to look just like Jimmy Johnson's.

the job of governance over to a well-intentioned outsider who's really a glorified know-nothing. Baseball let an outside arbitrator settle the Messersmith case in 1976 and the sport has been bleeding, by the tens of millions of dollars annually, at the arbitration table since.

What chance has the world got? We may live to see the day when Chairman Mao's great grandchildren want their hair to look just like Jimmy Johnson's.

all around us," Tagliabue said. "We have to change. We have to face reality. We have to adjust to changing times." This probably struck a deep chord with Al Davis, since he still dresses like Elvis.

Toyota Wins at Daytona

DAYTONA BEACH, Florida — The Toyota Eagle spent a good portion of Sunday on the endangered list. However, in the end, the prototype co-driven by P.J. Jones, Rocky Moran and Mark Dismore survived and won the Rolex 24-Hour sports car endurance race at Daytona International Speedway.

Toyotas Win at Daytona

The car, known more for its sporting ability than for its endurance, started from the pole and led numerous times, battling with the other Dan Gurney All American Racers Eagle in the early hours, then with a Jaguar, and finally a Nissan.

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Payton Leads 5 Into Hall

Noll and Walsh Are Also Selected

By Leonard Shapiro
Washington Post Service
LOS ANGELES — Walter Payton, a running back for the pros, and Chuck Noll and Bill Walsh, two of the dominant head coaches of the last two decades, were among five men inducted into the Pro Football Hall of Fame over the weekend.

Former San Diego Chargers quarterback Dan Fouts, one of the most prolific passers in the history of the game, and former guard Larry Little, who led the way for Larry Conka and the Miami Dolphins to win two Super Bowls in the 1970s, also were selected by a panel of 34 writers and broadcasters. The Hall does not announce vote totals, but each finalist was selected on at least 82 percent of the ballots cast.

Payton, the ex-Chicago Bears running back who is the NFL's all-time leading rusher, was chosen in his first year of eligibility, as were Fouts and Noll, the low-key coach of the Pittsburgh Steelers through four Super Bowl triumphs.

Walsh, the San Francisco 49ers coach now at Stanford University, won three Super Bowls in the '80s. He made it in his second year of eligibility; Little has been eligible for the last six years.

Payton's induction was a foregone conclusion. In his distinguished 13-year career, he was a 5-foot-10, 202-pound (179-meter, 91.6-kilogram) package of speed and power who gained 16,726 total yards, had 10 seasons of more than 1,000 yards and scored 125 touchdowns, one short of Jim Brown's record. He was the league's most valuable player in 1977 and 1985, the year he led the Bears to Super Bowl 'X' and a 46-10 victory over the New England Patriots.

"I played a kid's game and got paid for it. I tried to play the way I was taught and I owe a debt of gratitude to the coaches I played for in high school, in college and with the Bears," Payton said.

Fouts, a third-round draft pick of the Chargers in 1973, played for 15 seasons and developed a reputation as one of the game's purest passers. In the early '70s, Little and Hall of Fame center Jim Langer anchored a Miami offensive line that powered the Dolphins to a record 2,960 rushing yards in the 1972 season and a 17-0 record that included a 14-7 victory over the Washington Redskins in Super Bowl VII.

Noll coached the Steelers for 23 years, and went from 1-13 his first season, 1969, to four Super Bowl victories in a six-year period starting with a 16-6 victory over the Vikings in Super Bowl IX. Noll rebuilt his team using the draft, transforming a team that hadn't won a championship in almost 40 years of NFL play to the dominant team of the 1970s.

Walsh also inherited a moribund franchise, which had won 31 of its last 86 games before he arrived in 1979. Within three years, with a quarterback named Joe Montana he drafted in the third round in '79, Walsh directed his team to its first NFL championship, a 26-21 victory over the Cincinnati Bengals in Super Bowl XVI. In 10 seasons in San Francisco, Walsh had a 102-63-1 record that included victories in 10 of 14 postseason games.

Cowboys, Bills and Race
The Reverend Jesse Jackson is threatening to lead a boycott of NFL games next season unless teams implement an affirmative action plan for front office employees.

To our readers in Berlin
You can now receive the IHT hand delivered to your home or office every morning on the day of publication. Just call us toll free at 0130 84 85 85

